

FINAL MEETING SUMMARY

HANFORD ADVISORY BOARD BUDGETS AND CONTRACTS COMMITTEE

**February 6, 2002
Kennewick, WA**

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This is only a summary of issues and actions in this meeting. It may not represent the fullness of ideas discussed or opinions given, and should not be used as a substitute for actual public involvement or public comment on any particular topic unless specifically identified as such.

Committee Business

Harold Heacock, chair, opened the meeting. The meeting was called on short notice for the purpose of allowing the committee members to have a review before the Hanford Advisory Board (HAB) meeting of the President's Fiscal Year 2003 budget proposal to Congress. The budget proposal was released on February 4th with a 72-hour gag order on local DOE offices during which all inquiries had to be referred to DOE-Headquarters.

There will be a presentation by Keith Klein, U.S. Department of Energy - Richland Office (DOE-RL), and Harry Boston, U.S. Department of Energy - Office of River Protection (DOE-ORP), at the HAB meeting on Friday afternoon. They will present as much information as they are able to on the budget. There will be time for Board questions at that time.

It was hoped that Bob Rosselli, DOE-RL, and some other DOE agency representatives would attend the committee meeting, but they did not.

FY 2003 Budget Overview

Gerry Pollet presented overheads of the proposed budget taken from the web site. He said that the budget represents a change of philosophy, but reminded the committee that it is a proposal and not an allocation. He said that the proposal is \$262 million less than level funding from last year and perhaps as much as \$350 million short of full compliance funding for Hanford. There is a proposed fund of \$800 million to be distributed by DOE-Headquarters to sites that demonstrate that they have agreements in place that will allow cleanup to happen faster and cheaper.

Gerry Pollet pointed out that Keith Klein has positioned Hanford well to meet the criteria in the new River Corridor contract and the change packages currently under public comment. However, even if Hanford received a comparable percentage of the \$800 million as it has received in past allocations, it may not be enough to make up the proposed cuts. He was concerned about the lack of clear criteria for obtaining part of the \$800 million and the timeliness of the studies needed to assess faster and cheaper cleanup methods.

It is unclear how the cuts will be distributed across the site. In the proposed budget, there is no allocation for Hazardous Materials and Emergency Response (HAMMER). It is not clear whether the funding for the vit plant will cannibalize other projects. The breakdown of the numbers does not allow a comparison to the number of \$803 million that was given last year as compliance funding.

Bob Larson, Benton-Franklin Council of Governments asked if the top-to-bottom review was available. It will be available at the HAB meeting.

Gerry Pollet cited a study of what happens when waste is left in tanks, whether solidified or not. Cancer incidence rises from groundwater contamination. He said that the trend is to redefine transuranic waste, for example, in order to accelerate the appearance of cleanup. This implies that there will be less cleanup.

Leon Swenson pointed out that the budget is based on a risk-based approach, but the numbers do not reflect that approach. Gerry Pollet responded that there is no allowance for doing an EIS or performance assessments. Assumptions are being made without benefit of supporting data. The presumption of the new philosophy is that DOE entered into the current operating agreements without an understanding of the scope or magnitude of the problem. Now the cost is too high, and DOE wants to renegotiate the cleanup standards and scope. The question is whether or not DOE should meet the same environmental standards that apply to everyone else.

Jeff Luke said that current agreements reflect the fact that DOE is out of compliance, and the State gave them a compliance timeline.

Maynard Plahuta said that the agreements address more than just standards. His concern is implementation. He pointed out that looking at the agreements again in the light of technological and scientific advances is a good idea, but risk assessments are needed.

Melinda Brown, Washington State Department of Ecology (Ecology), said Ecology is anxiously awaiting the briefing DOE is required to give them under the Tri-Party Agreement. They have been promised that it will happen shortly. Their primary concerns are the things that have milestones associated with them.

Committee Concerns

The committee made a list of concerns to be presented to the HAB as a basis for discussion in preparation for the presentation by Keith Klein and Harry Boston.

- Leon Swenson asked about defined criteria for releasing the \$800 million funds. He also expressed concern over the lack of risk assessments relative to public and worker safety.

- Keith Smith asked how you commit to new agreements if you do not know how much money you will get. He also asked how you implement the faster, cheaper work without money to train the workforce.
- Bob Larson said having to get agreements without knowing if you will get funding is blackmail. He questioned the future of the HAB given that the law that establishes advisory boards is due for renewal in May.
- Jeff Luke asked what the baseline is for deciding if something is faster or cheaper. He also has trouble with the HAB appearing to be concerned with its own existence when layoffs are taking place in the workforce.
- Maynard Plahuta wanted an explanation for why things that are supposed to be speeded up have been allocated less money.
- Harold Heacock wanted to know how you operate in the fiscal year to get new agreements before money has been allocated. He also wanted to know the current baseline for compliance funding. Harold reminded the committee that the updated baseline the HAB has been requesting for a long time has not been provided yet. There is not a realistic basis for analyzing cuts and savings.
- Dan Simpson said that we have to refute the underlying premise made in the budget proposal that since the standards set in current agreements are based on standards that have no supporting date, they are considered excessive. Therefore, the past funding levels are excessive and no longer needed. We have to show that the standards are correct. Gerry Pollet said the burden is on the government to show the standards are excessive -- an unlikely occurrence.

General Discussion

Gerry Pollet said that, essentially, the new philosophy is to eliminate the State's Resource Conservation and Recovery Act (RCRA) jurisdiction and just use the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) requirements. Any site unwilling to change its agreements with the State cannot get any of the \$800 million. He said the HAB and the State have always said that they require and expect that DOE will request full compliance funding in its budget requests. We need to say that this fundamental standard has not been met, and if agreements are going to be changed, risk assessments must be done. He said that we are in the comment period on changes to accelerate cleanup along the river. He pointed out that acceleration requires more, not less, risk analysis.

Harold Heacock warned that too much protest too quickly could jeopardize our chances for additional funding.

Draft Advice

Gerry Pollet said that advice should be issued quickly. A few of the points listed above could form the basis for advice. Gerry's overhead slides will be presented at the HAB meeting along with a handout of the committee concerns identified at this meeting.

Top-to-Bottom Review

The FY2003 budget is tied to the philosophy encompassed in the top-to-bottom review. There are points in the review that have merit. Further analysis of the review is needed.

Agency Perspectives

Melinda Brown said that the agencies are more optimistic about the budget than the HAB because they see this proposal as a floor. They believe the funding level will increase as it goes through Congress. She said DOE and the agencies have been working together.

Handouts

- Remarks by Spencer Abraham, Environmental Management Program Reform Preview, Fernald, Ohio, January 31, 2002.
- Remarks by Spencer Abraham, FY2003 Budget Rollout, February 4, 2002.
- Headquarters' Press Release: Secretary of Energy Unveils DOE '03 Budget.

Attendees

HAB Members and Alternates

Jim Cochran	Charles Kilbury	Gerry Pollet	Jim Trombold
Abe Greenberg	Bob Larson	Dan Simpson	Dave Watrous
Harold Heacock	Jeff Luke	Keith Smith	Charles Weems
George Jansen, Jr.	Ken Niles	Leon Swenson	
Dave Johnson	Maynard Plahuta	Margery Swint	

Others

Marla Marvin, DOE-RL	Melinda Brown, Ecology	Kayle Boomer
		Allyn Boldt
		Linda Grotefendt, EnviroIssues
		Ruth Siguenza, EnviroIssues
		Chris Chamberlain, NuvoTec
		John Stang, Tri-Cities Herald